

## Article - Health Occupations

[\[Previous\]](#)[\[Next\]](#)

§7-4A-12.

(a) After payment of a claim by the Fund, a licensee who the Board finds responsible for the act or omission that gave rise to the claim shall reimburse the Fund in full for:

- (1) The amount paid by the Fund; and
- (2) Interest on the amount paid by the Fund at an annual rate of 6%.

(b) Each licensee who the Board finds responsible for the act or omission that gave rise to a claim is jointly and severally liable for the claim.

(c) If a licensee does not reimburse the Fund as provided in subsection (a) of this section, the Board or the State Central Collection Unit, as assignee of the Board, may bring an action against the licensee for the amount that has not been reimbursed.

(d) The Board or the State Central Collection Unit, as assignee of the Board, shall be entitled to a judgment for the amount that the licensee has not reimbursed the Fund if the Board proves that:

- (1) Payment was made by the Fund based on an act or omission for which the Board found the licensee was responsible;
- (2) A period of at least 30 days has passed since payment was made by the Fund; and
- (3) The licensee has not reimbursed the Fund for the amount for which the judgment is sought.

(e) (1) If a person liable for reimbursing the Fund under this section receives a demand for reimbursement and fails to reimburse the Fund, the reimbursement amount and any accrued interest or cost are a lien in favor of the State on any real property of the person if the lien is recorded and indexed as provided in this subsection.

(2) (i) The lien in favor of the State created by this subsection may not attach to specific property until the State Central Collection Unit records

written notice of the lien in the office of the clerk of the court for the county in which the property subject to the lien or any part of the property is located.

(ii) The notice required under subparagraph (i) of this paragraph shall contain the name and address of the person against whose property the lien exists, the amount of the lien, a description of or reference to the property subject to the lien, and the date the Fund paid the claim giving rise to the lien.

(3) The lien in favor of the State created by this subsection does not have priority as to any specific property over any person who is a lienholder of record at the time the notice required under paragraph (2) of this subsection is recorded.

(4) On presentation of a release of any lien in favor of the State created by this subsection, the clerk of the court in which the lien is recorded and indexed shall record and index the release and shall note in the lien docket the date the release is filed and the fact that the lien is released.

(5) The notice required under paragraph (2) of this subsection and any release filed under paragraph (4) of this subsection shall be indexed with the judgment lien records maintained by the office of the clerk of the court where the notice is recorded.

(6) The clerk may collect a reasonable fee for recording and indexing each notice of lien or release of any lien under this subsection.

(f) For the purpose of excepting to a discharge of a licensee under 11 U.S.C. § 523, the Board or the State Central Collection Unit, as assignee of the Board, is a creditor of the licensee for the amount that was paid by the Fund but that has not been reimbursed by the licensee.

[\[Previous\]](#)[\[Next\]](#)